

INDIANA STATE SENTINEL.

Annual Report of the Auditor of State.

The Report of the Auditor of the State is one of the most important documents presented to the people by Legislative enactment. While a Governor's message may recommend measures for the future, the Auditor's Report tells what has been done. We shall make but few, if any, comments upon this document. We might refer to particulars in this, as in the Auditor's former report. These matters, however, belong more exclusively to the Legislature.

Under the 24th section of chap. 6, Revised Statutes of 1843, it is made the duty of the Auditor of the State "to report and exhibit to the General Assembly, at its annual meeting, a complete statement of the revenues, taxes, funds, resources, incomes and property of the State, known to his office; and of the public revenues, and expenditures of the preceding fiscal year, with a detailed estimate of the expenditures to be defrayed from the Treasury for the ensuing year," &c. &c. &c.

The Auditor then gives the receipt at the State Treasury, for the last year, viz:

Total receipts from Nov. 1st, 1844, to Oct. 31st, 1845, inclusive,	\$1,132,413 76
Balance on hand Nov. 1st, 1844,	371,746 44
Total	\$1,504,160 20

The expenditures have been, on the various accounts set forth,

Total	\$744,982 80
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This leaves a balance in the Treasury, on the 1st day of November, 1845, provided all warrants issued prior to that date had been paid, of

Total	\$759,177 40
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There are, however, outstanding warrants to the amount of

Total	10,951 00
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True amount in the Treasury at the close of the fiscal year, ending Oct. 31, 1845,

Total	\$770,128 40
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The Auditor remarks, that "in reference to this balance—which standing unexplained would indicate a high degree of financial propriety—the remark made in the last annual report from this office may here be repeated: It consists almost wholly of a currency which cannot be made available in defraying the ordinary expenses of the government, and possessing no value except as it evidences a gratifying reduction of our public debt. The anticipation indulged at the date of that report, that a sufficient amount of current funds would be paid in, on account of revenue collected in 1844, to meet the demands upon the Treasury, during the year just closed, has been nearly realized. Up to this date, all claims which have been presented and audited, have been liquidated without inconvenience to the public creditors; and it is presumed that but little embarrassment will be encountered in providing for the payment of such as may fall due, from this time until the present year's revenue shall be paid in. The balance now in the Treasury, it is true, is not available to any considerable extent; but as the revenue for 1845 is now in process of collection, the holders of warrants hereafter to be issued can readily convert them into cash, by presenting them for payment to the County Treasurers.

"Our Treasury note circulation having been so largely reduced, and the notes being now at a high premium, in consequence of the accumulated interest, the opinion may be expressed with the utmost confidence, that the amount of current funds, which will be collected and paid in, on account of the present year's collections, will be more than sufficient to free the Treasury from the difficulties under which it has labored, for the last three years. And having once got rid of these embarrassments, it may safely be relied upon, that economy in our expenditures and prompt collections of revenue, will preclude all necessity of again resorting to that short-sighted policy, which, for the sake of present relief, postpones the evil that is sure to come with increased aggravation at last."

The Auditor gives the expenditures of the State Government for the fiscal year, ending Oct. 31st, 1845, which amount in the aggregate to \$71,122 29.

"The expenditures on the same accounts, (with the exception of Presidential Elections,) for the year 1844, was \$93,363 73—thus showing a reduction for the year 1845 of \$22,241 44—an amount large enough certainly to satisfy the strongest desire for retrenchment and economy. The accounts which have undergone the largest reduction are those for public printing, and for stationery and fuel—the former having been reduced \$11,624 59, and the latter \$10,802 41, making an aggregate of \$22,427 03, only \$3,000 less than the entire expenses of the Legislature at one session. The judiciary account has been reduced over \$3,000, and the expenditures for specific purposes over \$2,500. The probate account is some \$1,300 larger than last year, and considerably more than was anticipated when the estimate was made, in the last annual report from this office, of the probable amount of ordinary expenditures for 1845; this has occurred principally in consequence of many claims of long standing having been presented and liquidated; in the absence of these, the estimate would probably not have been exceeded. It is to be regretted that the expenditures for conveying convicts to the State Prison have, also, exceeded the amount estimated and appropriated."

The amounts necessary to meet the ordinary expenditures for 1846, the Auditor estimates under the different heads to be \$67,100 00.

"These estimates," says the Auditor, "contemplate a reduction of four thousand dollars, as compared with the expenditures of 1845, largely as they were reduced from those of previous years. The State House having undergone thorough repair during the last year, the expenditure on that account, for some years yet, will probably not exceed the amount above estimated, (\$500,) and which is designed merely to cover the necessary outlay in improving the grounds, and preparing the house for the reception of the Legislature."

He recommends, as another step towards economy, as well as preventing embarrassment at the Treasury, that the appropriation towards the State House be put under the control of the Librarian, and his certificates be vouchers for the necessary warrants. Under an honest Librarian, such as we have at present, we second the recommendation with all our heart.

The report then gives the unexpended balances, viz:

Legislature,	\$12,240 51
Public Printing,	10,363 81
State Prison (conveying convicts),	62 52
Specific Appropriations,	4,721 39
State House,	323 36
New State Prison,	2,400 00
Contingent Fund,	10 60
Governor's House,	113 62
Misses, (Adjutant and Quartermaster Generals),	24 43
Total,	\$19,753 23

It also gives the appropriation overdrawn:

Judiciary,	\$14,141 51
Probate Judges,	2,781 00
State Library,	115 27
Stationery and Fuel,	7,517 21
Executive Officers,	501 89
Prosecuting Attorneys,	341 79
Total,	\$25,398 66

The Auditor adds: "The appropriations overdrawn are about the same as they were last year, with the exception of the probate account, which, for the reasons above specified, has been considerably augmented. As all these objects of expenditure, however, are provided for by permanent appropriations, under the 1st Article of Chapter XIII., Revised Statutes of 1843, it is supposed that the excess involves no violation of law."

The Auditor then gives statements of the condition of the various Trust and other Funds, and of the Public Debt.

The Report shows that from August, 1832, until the passage of the act of January 27th, 1842, State Bonds on various accounts were issued to the amount of \$15,111,000. Of these there have been redeemed and cancelled \$2,611,000, leaving outstanding on the 1st day of November, 1845, \$12,500,000. The Agent of State reports that he has received bonds to the amount of \$20,000, which would leave the outstanding bonds at this time, \$12,480,000, on which amount the Bank pays the interest on \$1,800,000, leaving to be provided for, interest on \$11,680,000.

"The amount of interest which will be due, on the 1st day of January next, on bonds outstanding, is as follows, to-wit:

On \$100,000 Wabash and Erie canal bonds, for five years, at six per cent.,	\$30,000
On \$36,000 at seven per cent, for three years	8,820
On \$10,954,000, for five years, at five per cent.,	2,738,500
Total,	\$2,777,320

Our whole foreign debt is then as follows:

Bonds on which the State has to pay interest,	\$11,680,000
Bonds on which the Bank pays interest,	1,380,000
Interest which will be due January 1st, 1846,	2,777,320
Total,	\$15,837,320

The following is the amount of interest falling due annually:

On \$100,000, at six per cent.,	\$6,000
On \$36,000, at seven per cent.,	2,920
On \$10,954,000, at five per cent.,	547,700
Total,	\$616,620

"The number of polls returned for 1844, from eighty-four counties, as shown in tabular statement No. 10 of my last annual report, was 112,338, and the total value of taxable lands in the same counties, was \$110,569,803. Since the date of that report, the six counties from which no reports had been received in time, have made returns showing the following amount of polls and taxable property, to-wit:

Allen,	1,730	\$1,711,137
Cass,	1,158	1,084,936
DeKalb,	632	563,310
Madison,	1,349	1,283,610
Noble,	699	522,054
White,	441	403,085
Total,	5,999	\$5,668,162

These sums being added to the returns heretofore reported, would show the number of polls and value of taxable property in the State for 1844 to be as follows, to-wit:

Polls,	118,334	\$116,237,965
Total,	118,334	\$116,237,965

"The returns for 1845, in consequence of the delinquency of some of the county auditors, are still more deficient than they were last year; but from an examination of those already received, the opinion is justified that the returns for 1845 will be in half of one per centum of the value of all its taxable property. Such an amount of indebtedness is well calculated to excite in the mind of every one having the prosperity of the State at heart, the most painful forebodings; but gloomy as the future undoubtedly is, the path of honor is still clearly discernible; and with a steady determination on the part of our people and their representatives to walk in it, we need not give up all hope of final extrication from our perilous position. Between duty and disgrace, a State like ours cannot hesitate to choose. Without asking impossibilities from our people, or grinding them to the dust with ruinous and oppressive taxation, leading to a loss of all respect for their government and laws, we may still furnish the world with evidence, that 'we regard the slightest breach of plighted faith as extending as far as the violation of an official capacity as chairman of a select Committee, in the House of Representatives of the United States.'"

An assessment of 50 cents on each poll, supporting the number of polls in, in round numbers, 124,000, would give

Assessment of 50 cents on each poll, supporting the number of polls in, in round numbers, 124,000, would give	\$62,000
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An assessment of 20 cents on each \$100 of taxable property, setting down the amount at \$118,000,000, would give

Assessment of 20 cents on each \$100 of taxable property, setting down the amount at \$118,000,000, would give	\$236,000
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Total,

Total,	\$303,000
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Deduct from this amt., Delinquencies on the assessments for the year,

Delinquencies on the assessments for the year,	\$50,000
Costs of collection,	16,000
Annual ordinary expenditures of the State, 75,000	
Total,	141,000

Surplus in the treasury,

Surplus in the treasury,	\$192,000
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An assessment of 50 cents on each poll, and 25 cents on each \$100 of taxable property, would give

Assessment of 50 cents on each poll, and 25 cents on each \$100 of taxable property, would give	\$357,000
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Delinquencies of former years collected,

Delinquencies of former years collected,	\$5,000
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Total,

Total,	\$392,000
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Deduct for delinquencies on \$357,000,

Deduct for delinquencies on \$357,000,	\$60,000
Costs of collection,	17,000
Annual expenditures of the State, 75,000	
Total,	\$152,000

Surplus in the treasury,

Surplus in the treasury,	\$240,000
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An assessment of \$100 cents on each poll, and 30 cents on each \$100 of taxable property, would give

Assessment of \$100 cents on each poll, and 30 cents on each \$100 of taxable property, would give	\$416,000
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Delinquencies of former years collected,

Delinquencies of former years collected,	45,000
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Total,

Total,	\$465,000
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Deduct for delinquencies on \$416,000,

Deduct for delinquencies on \$416,000,	\$70,000
Costs of collection,	18,000
Annual expenditures of the State, 75,000	
Total,	\$163,000

Surplus in the treasury,

Surplus in the treasury,	\$292,000
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An assessment of 50 cents on each poll, and 35 cents on each \$100 of taxable property, would give

Assessment of 50 cents on each poll, and 35 cents on each \$100 of taxable property, would give	\$475,000
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Delinquencies of former years collected,

Delinquencies of former years collected,	45,000
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Total,

Total,	\$520,000
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Deduct for delinquencies on \$475,000,

Deduct for delinquencies on \$475,000,	\$80,000
Costs of collection,	19,000
Annual expenditures of the State, 75,000	
Total,	\$174,000

Surplus in the treasury,

Surplus in the treasury,	\$346,000
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To meet the whole annual interest account, there would be required a levy of fifty cents on each poll, and sixty cents on each hundred dollars of taxable property, even should the ratio of delinquency remain the same as above estimated; this, however, cannot reasonably be anticipated. The resources of our people remaining the same, it must be evident that so large an advance in the rate of taxation must be attended with a heavy increase of the taxes returned delinquent.

In the event that the Wabash and Erie canal should be completed to Evansville, out of the proceeds of the lands donated by the General Government for that purpose, it is supposed by many persons, whose acquaintance with subjects of this kind entitles their opinions to great respect, that the profits of that work will obviate, to no small extent, the necessity of a resort to direct taxation. Traversing as that work will for nearly four hundred miles, a region of country unrivaled in the fertility of its soil, and rapidly filling up with an enterprising and industrious population, for the surplus produce of whose labor a ready market will be opened, it is believed that this canal, when once completed, will compare favorably, in point of business done and profits realized with any similar improvement in the United States.

SIX PER CENT. TREASURY NOTES.

The Legislature, at the session of 1839-40, by an act, which went into effect on the 15th day of Feb. 1840, providing for the relief of contractors and others engaged on the public works, directed the issue of Treasury Notes to the amount of one million and a half of dollars, bearing six per cent. interest, and receivable in payment of taxes. Under that act, Treasury Notes were issued as follows, to-wit:

Amount issued to October, 1840,	\$1,289,000
Amount issued to December, 1840,	49,000
Amount issued to October, 1841,	121,000
Amount issued to August, 1842,	47,000
Total,	\$1,506,000

Of this amount there were cancelled,

June 2, 1841,	\$147,700
September 19, 1842,	398,565
January 11, 1844,	200,525
January 31, 1845,	114,540
Total,	\$861,330

Amount outstanding January 31, 1845,

Amount outstanding January 31, 1845,	\$638,670
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The amount received during the last fiscal year, as reported by the Treasurer of the State, is

The amount received during the last fiscal year, as reported by the Treasurer of the State, is	147,235
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The total payments on account of six per cent. treasury notes have then been

On account of principal,	\$1,008,555 00
On account of interest,	120,678 07
Total,	\$1,129,233 07

FIVE PER CENT. TREASURY NOTES.

Under the act of January 31, 1842, providing for the payment of the debt to the Bank on account of advances for Internal Improvement purposes, five per cent. treasury notes were issued to the amount of

On these notes, there were cancelled, Sept. 19, 1843,	\$46,250 00
Cancelled January 11th, 1844,	91,990 00
Cancelled January 31st, 1845,	72,405 00
Total to January 31st, 1845,	\$210,745 00

Outstanding January 31st, 1845,

Outstanding January 31st, 1845,	\$611,895 00
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The amount received during the last fiscal year, according to the report of the Treasurer of the State, is,

The amount received during the last fiscal year, according to the report of the Treasurer of the State, is,	70,570 00
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Outstanding at this date,

Outstanding at this date,	\$441,325 00
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The following amount of interest have been allowed on these notes, when received at the Treasury:

On those cancelled prior to November 1st, 1843,	\$315 76
On those cancelled January 11th, 1844,	3,823 52
On those cancelled January 31st, 1845,	4,743 21
Total to January 31st, 1845,	\$5,882 49

Amount allowed on those received during the last fiscal year, as reported by the Treasurer of the State,

Amount allowed on those received during the last fiscal year, as reported by the Treasurer of the State,	10,229 31
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Total to this date,

Total to this date,	\$19,042 10
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The entire payments on account of five per cent. treasury notes have then been:

On account of principal,	\$281,315 00
On account of interest,	19,042 10
Total,	\$300,357 10

The total debt of the State, both foreign and domestic, may be summed up as follows, to-wit:

Bonds on which the State has to pay interest,	\$11,680,000
Bonds on which the Bank pays interest,	1,380,000
Interest which will be due January 1st, 1846,	2,777,320
Six per cent. treasury notes outstanding, (estimated),	491,433
Five per cent. treasury notes outstanding, (estimated),	147,000
Interest now due on five per cent. treasury notes, (estimated),	441,325
Loan from the bank, under act of January 15, 1844,	60,000
Total,	\$16,462,058

The amount of interest to be paid annually on the foregoing debt, is as follows, to-wit:

Interest on bonds as above stated,	\$556,320
Interest on five per cent. treasury notes,	29,486
Interest on six per cent. treasury notes,	22,066
Total,	\$607,772

"Thus it will be seen that the faith of the State stands pledged for the ultimate payment of a debt nearly equal to one-seventh of the value of all its taxable lands, and for the payment of an annual interest account about equal, at this time, (without including the interest falling due on the bank loans,) to one-half of one per centum of the value of all its taxable property. Such an amount of indebtedness is well calculated to excite in the mind of every one having the prosperity of the State at heart, the most painful forebodings; but gloomy as the future undoubtedly is, the path of honor is still clearly discernible; and with a steady determination on the part of our people and their representatives to walk in it, we need not give up all hope of final extrication from our perilous position. Between duty and disgrace, a State like ours cannot hesitate to choose. Without asking impossibilities from our people, or grinding them to the dust with ruinous and oppressive taxation, leading to a loss of all respect for their government and laws, we may still furnish the world with evidence, that 'we regard the slightest breach of plighted faith as extending as far as the violation of an official capacity as chairman of a select Committee, in the House of Representatives of the United States.'"

When acting as Chairman of that Committee, it became my duty to make a Report in accordance with the views of its members. In the progress of those labors I called on the Commissioner of Public Lands, for an estimate of the number of acres of all the public lands of the United States. He furnished me with a copy of a table in which the area of the public lands was calculated to the 49th degree of North latitude. This statement I was unwilling to incorporate in the report, and required the Commissioner to make the calculation to the latitude of 54 degrees 40 minutes. The Commissioner informed me that he previously furnished Lord Ashburton with a copy of the same or a similar table, calculated to the 49th degree.

I considered the title of the U. S. as good to all of Oregon as a part, and was valid as to the whole. I required the calculator to embrace what I believed to be all the lands of the United States. It was accordingly made, and sent on the books of the Land Office, and was furnished with a copy, which will be found in House report 206, 34 session of the 29th Congress, as follows:

"In making the foregoing estimate, the parallel of 49 degrees North latitude was taken as the northern boundary of Oregon territory. If the parallel of 54 degrees 40 minutes, (the Northernmost line claimed by the United States,) be taken as the boundary, then 104,540,000 acres will be added to the territory of the United States, and the public domain remaining to be sold by the United States will be 1,042,731,675 acres, which at the minimum price of the public lands, would yield a revenue of \$1,303,414,700.

A true copy from the record;

THOMAS H. BLAKE,
Commissioner.

"Hon. Wm. Cost Johnson, Chairman Select Com. on State Relief, House of Representatives.

In the body of the Report, at page 13, is the following sentence:—"By the estimate of the Commissioner of the General Land Office, (referring to the Commissioner's report in the appendix,) the quantity of land, yet unoccupied, claimed by the United States is one hundred forty-two millions seven hundred and thirty-one thousand, seven hundred and sixty-five acres, estimated at one dollar and twenty-five cents per acre, the minimum Government price, would make the sum of one hundred and thirty-one millions seven hundred and thirty-one thousand, seven hundred and sixty-five dollars, and seven cents."

The Report was read to the Committee, it was approved, and signed by the members in the following order:

William C. Johnson, James Cooper,
Thomas P. Gentry, Thomas F. Marshall,
Zachary Adams, Calvary Morris,
Zachary Adams, Jacob M. Howard,
James H. Craven.

The appendix being not completed, at the time, I was authorized by the Committee, to prepare it, and it was ordered to be printed by the House of Representatives, on the 2d March, 1843.

How far the several members of the Committee may consider themselves concerned in the claim of the United States to the territory, can only be decided by themselves. I examined the subject, at the time, and subsequent examination has confirmed my convictions that the entire claim of the United States is good.

I had been viewed as a party question, and I hope it never will be. What results party excitement may produce, I will not speculate upon.

Notwithstanding there exists a Treaty between the United States and Great Britain, for the joint occupation of Oregon as far north as the 54th deg. 40 min., it is sometimes said that if we assert our right to all of Oregon, it may produce serious difficulties between the United States and Great Britain; and for this reason it is urged, by some, that the U. S. should abandon their claim to the territory beyond the 49th degree of north latitude, &c. Although the treaty did not settle the question in dispute, it did not strengthen the English claim, nor weaken that of the United States. It left the right and title of the United States as previously existing, and nothing since has impaired, either the validity of our original title, or lessened our capacity to maintain it. It is doubtless unwise, in either England or the United States, to desire a war between the two countries, but the people of the United States are the last in the world to abandon a just right under the apprehensions of a war. It is not their character.

This is not a time when the United States can abandon any of her proper rights. The recent efforts of England and France to prevent the annexation of Texas and thereby prevent the spread of our republican institutions, forbid it, if there were not other high considerations.

Whether the language of M. Guizot, as the organ of the French Cabinet, (which was substantially that France will interfere, in restraining the growth, and power and glory of this Republic, by maintaining the balance of power,) was induced in consideration of the expected protection and guardianship of the English Government in the legal descent of the French Crown, or the result of a candid repugnance, on the part of the King of France, to the growth of republican institutions, I will not attempt to decide. If the former reason is correct, it was an insult to the French people; if the latter, an indignity to the United